

SUBSTITUTION OF COLLATERAL AGREEMENT

This Agreement made and entered into by and between John W. Bond and Chandra B. Bond f/k/a Chandra S. Burr, hereinafter sometimes referred to as Borrowers, R. Conner McAllister, hereinafter referred to as Trustee, Bailey Mortgage Company, hereinafter referred to as Beneficiary, and hereinafter sometimes referred to as Assignee, WITNESSETH:

WHEREAS, John W. Bond and Chandra B. Bond f/k/a Chandra S. Burr executed a Deed of Trust to R. Conner McAllister, Trustee for Bailey Mortgage Company, Beneficiary, dated August 31, 1990, filed for record at 9:09 A.M. on September 5, 1990 and recorded in Real Estate Trust Deed Book 519 at Page 173, in the office of the Chancery Clerk of DeSoto County, Mississippi, securing original principal indebtedness of \$57,245.00, covering the property lying and being situated in the City of Horn Lake, DeSoto County, Mississippi, more particularly described as follows, to-wit:

Lot 1919, Section E, DeSoto Village Subdivision in Section 33, Township 1 South, Range 8 West, City of Horn Lake, DeSoto County, Mississippi, as per plat thereof recorded in Plat Book 12, Pages 22-25, in the office of the Chancery Clerk of DeSoto County, Mississippi.

and

WHEREAS, said Deed of Trust carries FHA Case No. 2830064305-703, which was assigned by the Beneficiary to Security Savings and Loan Association by Assignment appearing of record in Real Estate Trust Deed Book 524, at Page 745, in the office of the Chancery Clerk of DeSoto County, Mississippi and reassigned to Bailey Mortgage Company by Assignment dated March 2, 1995, appearing of record in Book 750, Page 85 in the office of the Chancery Clerk of DeSoto County, Mississippi, and

WHEREAS, the residence situated on the above described property has a foundation defect and the builder of said property has agreed to convey to Borrowers a new home of comparable value in another subdivision in exchange for Borrowers' reconveyance of the above described property to builder and said parties hereto have all agreed to amend the original Deed of Trust by substituting as collateral therefor, in lieu of the above described property the following property situated in the City of Horn Lake, DeSoto County, Mississippi, to-wit:

Lot 209, Section D, Kingston Estates in Section 28, Township 1 South, Range 8 West, City of Horn Lake, DeSoto County, Mississippi, as shown by plat appearing of record in Plat Book 48, Page 13, in the office of the Chancery Clerk of DeSoto County, Mississippi.

and

WHEREAS, such is the express intent and purpose of this instrument.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the mutual agreements and covenants of the parties hereto and other good and valuable considerations, flowing to each party the receipt and sufficiency of all of which is hereby acknowledged, the parties hereto agree that the lien of the Deed of Trust described herein shall from and after the date of this instrument cover the following property lying and being situated in the City of Horn Lake, DeSoto County, Mississippi, as follows, to-wit:

Lot 209, Section D, Kingston Estates in Section 28, Township 1 South, Range 8 West, City of Horn Lake, DeSoto County, Mississippi, as shown by plat appearing of record in Plat Book 48, Page 13, in the office of the Chancery Clerk of DeSoto County, Mississippi.

The lien of this Deed of Trust is hereby released as to the following described property, to-wit:

Lot 1919, Section E, DeSoto Village Subdivision in Section 33, Township 1 South, Range 8 West, City of Horn Lake, DeSoto County, Mississippi, as per plat thereof recorded in Plat Book 12, Pages 22-25, in the office of the Chancery Clerk of DeSoto County, Mississippi.

The Chancery Clerk of DeSoto County, Mississippi is authorized, empowered and requested to make the appropriate marginal notation of this Substitution of Collateral Agreement on the face of the lien instrument.

The parties agree that in all other respects the original lien instrument shall remain in full force and effect.

John W. Bond
John W. Bond

Chandra S. Bond
Chandra B. Bond, a/k/a Chandra S. Burr

R. Conner McAllister, Trustee

BAILEY MORTGAGE COMPANY

BY: F. Coleman Lowery, Jr.
Executive Vice President

STATE OF MISSISSIPPI
COUNTY OF DESOTO

PERSONALLY appeared before me, the undersigned authority in and for said County and State, on this 4 day of ~~December~~ ^{January}, 1996, within my jurisdiction, the within named John W. Bond and Chandra B. Bond, a/k/a Chandra S. Burr, who acknowledged that they executed the above and foregoing instrument.

[Signature]
Notary Public

My Commission Expires:

11-27-99

STATE OF MISSISSIPPI
COUNTY OF MISSISSIPPI

PERSONALLY appeared before me, the undersigned authority in and for the said county and state, on this 21st day of December, 1995, within my jurisdiction, the within named R. Conner McAllister, who acknowledged that he is Trustee for Bailey Mortgage Company and that in said representative capacity he executed the above and foregoing instrument, after first having been duly authorized to do so.

Patsy E. Byas PATSY E. BYAS
Notary Public

My Commission Expires:

MISSISSIPPI STATEWIDE NOTARY PUBLIC
MY COMMISSION EXPIRES JUNE 27, 1998

STATE OF MISSISSIPPI

COUNTY OF MISSISSIPPI

PERSONALLY appeared before me, the undersigned authority in and for the said County and State, on this the 21st day of December, 1995, within my jurisdiction, the within named F. Coleman Lowery, Jr., who acknowledged that he is the Executive Vice President, of Bailey Mortgage Company, a Mississippi Corporation, and that for and on behalf of the said corporation, and as its act and deed he executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.

Patsy E. Byas PATSY E. BYAS
Notary Public

My Commission Expires:

MISSISSIPPI STATEWIDE NOTARY PUBLIC
MY COMMISSION EXPIRES JUNE 27, 1999



STATE MS.-DE SOTO CO.

JAN 12 1 33 PM '96

BK 804 PG 469
W.E. DAVIS CH. CLK.